



BellSouth Telecommunications, Inc.  
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August 30, 1999

Guy M. Hicks  
General Counsel

8/30/99  
4:06 DW  
See proprietary for  
date verification

VIA HAND DELIVERY

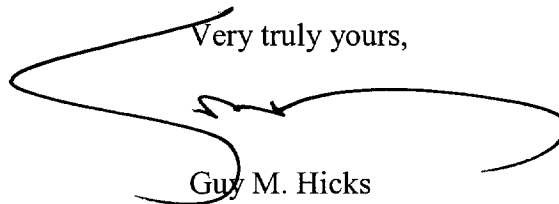
David Waddell, Executive Secretary  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37238

Re: *BellSouth Telecommunications, Inc. Tariff Filing to Introduce BellSouth 25¢ Call Plan Service*  
Docket No. 98-00307

Dear Mr. Waddell:

Enclosed are the original and thirteen copies of BellSouth Telecommunications, Inc.'s non-proprietary Responses to Data Requests. Copies of the enclosed are being provided to counsel of record for all parties.

Very truly yours,



Guy M. Hicks

GMH:ch  
Enclosure

FILE

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 7  
Page 1 of 1

REQUEST: Please describe BellSouth's reciprocal compensation arrangements with ICO's and CLECs and the classification of 25-Cent Calling Plan calls as Local or Access for mutual compensation purposes. Produce any and all documents that identify or set forth any and all such arrangements, including specifically any agreements with LECs and CLECs.

RESPONSE: 25 Cent Call Plan calls are intrastate intraLATA toll calls, and thus are not "local" calls for reciprocal compensation purposes.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 8  
Page 1 of 1

REQUEST: How are the arrangements for originating and terminating calls any different for LATA-wide 25-Cent Calling Plan calls compared to long distance calls?

RESPONSE: The dialing arrangements for originating and terminating calls under BellSouth's 25-Cent Call Plan service are not any different than for long distance calls. The customer will continue to dial 1 plus ten digits to complete a call.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 9  
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REQUEST: If a CLEC's interconnection agreement allows a CLEC to define intraLATA calls as local calls, will BellSouth agree to provide that CLEC intraLATA access at the interconnection rate set forth in the agreement? If not, why not?

RESPONSE: The charges paid will be dependent upon the originating party's local calling area.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 10  
Page 1 of 1

REQUEST: In the Imputation Analysis filed by BellSouth, explain why BellSouth has chosen a denominator based on Conversation Mou versus Access Mou. Please explain the impact of using an Access Mou denominator divided into Total Revenue.

RESPONSE: Total Revenue represents retail revenues. Conversation Mou, therefore, was used in the denominator since it represents retail Mou, as opposed to Access Mou, which does not. If Access Mou were used in the denominator (which BellSouth does not believe is appropriate), the impact would be to reduce the revenue per minute, holding everything else equal.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 12  
Page 1 of 1

REQUEST: Is the LATA-wide 25-Cent Calling Plan designed to be more attractive to larger or smaller customers? Please explain why.

RESPONSE: See response to Item No. 11.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 14  
Page 1 of 1

REQUEST: To what customers does BellSouth intend to direct market its LATA-wide 25-Cent Calling Plan?

RESPONSE: See response to Item No. 11.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 15  
Page 1 of 1

REQUEST: Please provide the impact on cost and revenue that would occur if BellSouth marketed its LATA-wide 25-Cent Calling Plan to all customers.

RESPONSE: BellSouth has not performed any studies to determine the requested impact.



BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 16  
Page 1 of 1

REQUEST: Does BellSouth intend to mass advertise its LATA-wide 25-Cent Calling Plan?

RESPONSE: No.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 17  
Page 1 of 1

REQUEST: How did BellSouth develop the amount of the monthly subscription fee for its LATA-wide 25-Cent Calling Plan? Please produce all documents, including but not limited to memoranda, workpapers, and analyses, which support or underlie BellSouth's development of the monthly subscription fee for its LATA-wide 25-Cent Calling Plan.

RESPONSE: BellSouth determined this fee based upon available market information and consistent with its statutory obligations. For documents responsive to this request, see response to Item No. 1

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 18  
Page 1 of 1

REQUEST: Explain to what extent expense relative to ICO Settlements has been factored into BellSouth's Price Floor Calculation and the rationale for such decision.

RESPONSE: Consistent with T.C.A. §65-5-208(c), ICO settlements have not been factored into the calculation of the price floor.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 19  
Page 1 of 1

REQUEST: In the Price Floor Calculation, did BellSouth impute any costs in developing the monthly fee, e.g. marketing, billing, network, and access? Please explain and quantify all such costs.

RESPONSE: BellSouth objects to this request on the grounds that it is unclear and ambiguous, since BellSouth does not impute any costs in developing the "monthly fee." BellSouth has calculated the price floor consistent with T.C.A. §65-5-208(c).

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 20  
Page 1 of 1

REQUEST: Did BellSouth impute switched access Local Switching or Switched Transport when it developed the Price Floor, i.e., all charges that an IXC would pay to serve a customer using this functionality as provided by BellSouth? If so, please produce all documents, including workpapers, memoranda, and analyses that form the basis of such imputation. If not, please explain why not, and produce all documents which support BellSouth's rationale for not imputing all such access costs.

RESPONSE: Pursuant to T.C.A. §65-5-208(c), BellSouth included the "total long-run incremental cost" of Local Switching and Switched Transport in the Price Floor, because these elements are "the competitive elements of the service." This is the same price floor structure BellSouth used in Docket No. 98-00634. The cost studies which support the Local Switching and Switched Transport elements in the Price Floor were supplied to AT&T on August 11, 1999, and were filed with the Tennessee Regulatory Authority on August 24, 1999.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 21  
Page 1 of 1

REQUEST: Please identify/specify the source location for the values used in BellSouth's Price Floor Calculation for LOCAL SWITCHING and SWITCHED TRANSPORT.

RESPONSE: The cost studies referenced in response to Item Number 20 are the source for the values used in BellSouth's Price Floor Calculation for Local Switching and Switched Transport.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 22  
Page 1 of 1

REQUEST: In its Price Floor Calculation, please explain the term footnoted as “\*TSLRIC-customer operations factor”.

RESPONSE: The term “TSLRIC-customer operations factor” represents Total Service Long Run Incremental Cost with shared and common costs associated with BellSouth's retail operations excluded.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 23  
Page 1 of 1

REQUEST: In its Price Floor Calculation, explain why the value in "B8" being charged to IXC's who purchase Special Access transport exceeds the imputed Switched Transport value in "A1" & "A2". Also explain the difference in values, e.g., profit above TSLRIC.

RESPONSE: The value in "B8" exceeds the Switched Transport value in "A1" and "A2" because "B8" is the equivalent of an additive of multiple access elements. The difference in values is due to the difference in the nature of the services (i.e., special access versus switched access), and not "profit above TSLRIC."



BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 24  
Page 1 of 1

REQUEST: What percentage of BellSouth's current intraLATA toll customers, if they subscribed to BellSouth's plan, would pay less per month under BellSouth's plan than the amount IXC's would have to pay BellSouth for intraLATA switched access for a similar number of intraLATA toll calls per month?

RESPONSE: Please see response to Item No. 15

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 25  
Page 1 of 1

REQUEST: Will BellSouth offer intraLATA carriers the option to purchase intraLATA access on a per customer basis, a flat rate basis or a per call basis? If not, please explain why BellSouth will not offer intraLATA carriers the option of buying access on a per customer basis, a flat rate basis or a per call basis, other than the current structure of access charges or current tariffs.

RESPONSE: When switched access charges were originally implemented by the Federal Communications Commission ("FCC") and by State Commissions, they applied on a per minute basis. Since that time switched access charges have evolved to include various rate applications, minutes of use and flat rate. BellSouth will, for the most part, mirror the structure and in some cases the rates contained in the FCC tariff, and BellSouth is not aware of any plans to move completely to a per call rate application.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 26  
Page 1 of 1

REQUEST: What is the cost that BellSouth incurs to provide intraLATA switched access in Tennessee? Please produce all documents, including memoranda, workpapers, and analyses, that indicate the cost that BellSouth incurs, on a per-minute basis, to provide intraLATA switched access services in Tennessee.

RESPONSE: BellSouth objects to this request to the extent it seeks information not relevant to any issue in this proceeding nor reasonably calculated to lead to the discovery of admissible evidence. Subject to this objection, and without waiving this objection, please refer to cost studies filed with the Tennessee Regulatory Authority on August 24, 1999.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 28  
Page 1 of 1

REQUEST: Produce all documents pertaining or relating to the relationship of this calling plan with BellSouth's plan to offer interLATA services and/or the introduction of 1+ intraLATA presubscription.

RESPONSE: There are no documents responsive to this request.

BellSouth Telecommunications, Inc.  
TN DKT 98-00307  
AT&T's First Set of Data Requests  
August 19, 1999  
Item No. 29  
Page 1 of 1

REQUEST: Please describe how the \$20.65 in line 4 of BellSouth's "Stand Alone Surrogate Analysis" was calculated. Identify separately each component included in the \$20.65 amount, provide the rationale for including each such component, and describe how all the components were accumulated to arrive at the total of \$20.65.

RESPONSE: BellSouth did not "calculate" the \$20.65 cost. Without agreeing to the accuracy or validity of this figure, it was taken from AT&T's compliance filing in Docket No. 97-01262 as determined by the HAI model. According to the description accompanying AT&T's attachment, this amount represents the "Total cost of switched network elements." Thus, this accounts for a local loop, switch termination, and network usage per line.

CERTIFICATE OF SERVICE

I hereby certify that on August 30, 1999, a copy of the foregoing document was served on the parties of record via facsimile, overnight, or US Mail, postage prepaid:

☒ Hand  
☐ Mail  
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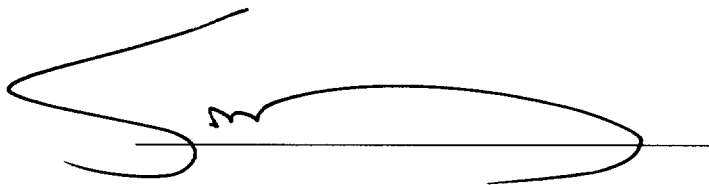
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A handwritten signature in black ink, consisting of a large, stylized 'S' shape followed by a horizontal line and a small flourish.